

Introduced: 2/5/82  
Referred: Community & Regional  
Affairs and Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 716

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state revenue sharing and municipal  
7 assistance programs; establishing a program of aid for  
8 unincorporated communities; and providing for an effec-  
9 tive date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 \* Section 1. AS 29.95.020(a) is amended to read:

12 (a) A municipality qualifying for an entitlement under AS 29.88  
13 [AS 29.88.010 -- 29.88.045] or AS 29.89 [29.89.010 -- 29.89.100] shall  
14 receive a [MINIMUM] payment of at least \$100,000 [\$25,000] plus an area  
15 cost-of-living differential for each fiscal year. To qualify for an en-  
16 titlement under AS 29.88 or AS 29.89, a municipality shall annually [IF]

17 (1) conduct [THE MUNICIPALITY HAS CONDUCTED] a regular elec-  
18 tion under AS 29.28.010 -- 29.28.050 during the fiscal year preceding  
19 the year for which payment of an entitlement is authorized by AS 29.88  
20 [AS 29.88.010 -- 29.88.045] or AS 29.89 [29.89.010 -- 29.89.100] and re-  
21 port [HAS REPORTED] the results of the election to the commissioner of  
22 the Department of Community and Regional Affairs;

23 (2) certify that regular council meetings are held in the mu-  
24 nicipality in accordance with the requirements of AS 29.23.210 during  
25 the fiscal year preceding the year for which payment of an entitlement  
26 is authorized by AS 29.88 [AS 29.88.010 -- 29.88.045] or AS 29.89 [29.-  
27 89.010 -- 29.89.100] and maintain a record of the proceedings [IS MAIN-  
28 TAINED];

29 (3) adopt a municipal budget [HAS BEEN ADOPTED] for the

1 fiscal year during which payment of an entitlement is authorized by  
2 AS 29.88 [AS 29.88.010 -- 29.88.045] or AS 29.89 [29.89.010 -- 29.89.-  
3 100] and prepare and furnish to the Department of Community and Region-  
4 al Affairs an audit or financial statement for the preceding fiscal year  
5 [HAS BEEN PREPARED AND FURNISHED TO THE DEPARTMENT OF COMMUNITY AND  
6 REGIONAL AFFAIRS] in accordance with AS 29.23.560(a); [AND]

7 (4) certify that local ordinances adopted by the governing  
8 body of the municipality have been codified in accordance with AS 29.-  
9 48.180; and

10 (5) spend at least 50 percent of the payment received under  
11 this section for the previous fiscal year on at least three basic ser-  
12 vices which the municipality has the power to provide.

13 \* Sec. 2. AS 29.95 is amended by adding a new section to read:

14 Sec. 29.95.040. GUARANTEED MINIMUM ASSISTANCE. (a) For the fis-  
15 cal year ending June 30, 1984 and in each fiscal year after that, a mu-  
16 nicipality is entitled to receive at least the amount it received under  
17 this chapter and AS 29.88 for the fiscal year ending June 30, 1983.

18 (b) If appropriations made to finance the programs under this  
19 chapter and AS 29.88 exceed the amount necessary to satisfy the require-  
20 ments of (a) of this section, the excess shall be allocated to insure  
21 that the payment of entitlements for municipalities are made as required  
22 by AS 29.95.020(a).

23 (c) If an appropriation made to finance the programs under this  
24 chapter and AS 29.88 exceeds the amount necessary to satisfy the re-  
25 quirements of (a) and (b) of this section, the excess shall be allocated  
26 to the tax equalization account established in AS 29.88.035 unless oth-  
27 erwise provided by law.

28 (d) In order to pay the amounts required by (a) of this section,  
29 the allocations made by the Department of Community and Regional Affairs

1 to accounts established in AS 29.88.035, AS 29.89.080, and AS 29.90.020  
2 shall be prorated by an amount which reduces the allocation to each ac-  
3 count in equal proportion, and the prorated amounts shall be allocated  
4 to those accounts.

5 \* Sec. 3. AS 29.95 is amended by adding a new section to read:

6 Sec. 29.95.500. DEFINITIONS. In this chapter,

7 (1) "basic services" means

8 (A) municipal administration, finance, and planning;

9 (B) police protection;

10 (C) fire protection;

11 (D) environmental pollution control;

12 (E) solid waste collection and disposal;

13 (F) land use planning;

14 (G) parks and recreation;

15 (H) road and street maintenance;

16 (I) hospitals;

17 (J) health facilities;

18 (K) airports;

19 (L) ports; and

20 (M) small boat harbors; and

21 (2) "department" means the Department of Community and Re-  
22 tional Affairs.

23 \* Sec. 4. AS 44.47.130(4) is amended to read:

24 (4) formulate and conduct a program to finance capital proj-  
25 ects, operating expenses of capital projects, and services in unincorpo-  
26 rated communities in the unorganized borough [OF CONSTRUCTION OF BASIC  
27 FACILITIES] to improve health, welfare, and economic security and pro-  
28 vide employment and income [IN THE RURAL AREAS];

29 \* Sec. 5. AS 44.47.140 is amended to read:

1           Sec. 44.47.140. LIMITATIONS. A program of the department under  
2 AS 44.47.130 in a rural area may not exceed \$100,000 for each unincorpo-  
3 rated community for each year. A project may be financed under AS 44.-  
4 47.130 only if an applicant submits an application in writing to the de-  
5 partment [IN COST A YEAR].

6 \* Sec. 6. AS 44.47 is amended by adding new sections to read:

7           Sec. 44.47.146. GRANT APPLICATIONS. (a) If more than one appli-  
8 cation for assistance under AS 44.47.130(4) is received from an unincor-  
9 porated community, the department shall review all applications received  
10 and determine which of them will best meet the needs of the community  
11 within the limitations for assistance established in AS 44.47.140.

12           (b) The department may not accept an application for a grant under  
13 this chapter from an Alaska Native village council, unless the council  
14 waives any immunity from suit which it might have. The waiver must  
15 apply to all claims arising out of the activities of the council under  
16 the grant contract, and it must be on a standard form provided by the  
17 Department of Law. Neither this subsection nor any action taken under  
18 it enlarges or diminishes such governmental authority or jurisdiction as  
19 the various Alaska Native village councils might have.

20           Sec. 44.47.147. ACCOUNTABILITY OF FUNDS. If the commissioner  
21 finds that a recipient has used money for a purpose other than the pur-  
22 pose set out in an application or other agreement which establishes the  
23 purpose of the project under AS 44.47.130, the commissioner may withhold  
24 the payment of any money to which the recipient is entitled for programs  
25 administered by the department.

26           Sec. 44.47.148. DEFINITION. In this chapter, "unincorporated com-  
27 munity" means a place in the unorganized borough which is not incorpo-  
28 rated as a municipality under AS 29 and in which 25 or more persons re-  
29 side as a social unit. The place must be open to unrestricted access by

1 the public, be independent if it is contiguous to a municipality, and  
2 not be a place provided by an employer and composed totally of persons  
3 who are required to reside there as a condition of their employment.

4 \* Sec. 7. INTENT AS TO APPROPRIATIONS. (a) The legislature intends that  
5 the total appropriation available for distribution to municipalities and  
6 other recipients under AS 29.88 -- AS 29.95, for the fiscal year ending June  
7 30, 1984 and for each fiscal year after that, be increased by the same per-  
8 cent as the amount set out in art. IX, sec. 16, of the Alaska Constitution  
9 increases for that fiscal year.

10 (b) The legislature intends that appropriations, other than as des-  
11 cribed in (a) of this section of state money for basic services as defined in  
12 AS 29.95.500(1), enacted in sec. 3 of this Act, be reduced for the fiscal  
13 year ending June 30, 1984 and for each fiscal year after that by the per-  
14 centage of increase determined for that fiscal year for state appropriations  
15 under art. IX, sec. 16, of the Alaska Constitution.

16 \* Sec. 8. AS 29.89.050 and AS 43.20.016 are repealed.

17 \* Sec. 9. Section 7 of this Act is repealed.

18 \* Sec. 10. Sections 1, 3 -- 6, and 8 of this Act take effect on the first  
19 day of the fiscal year for which \$140,851,300 or more is appropriated for  
20 distribution among AS 29.88.035, AS 29.89.080, and AS 29.90.020.

21 \* Sec. 11. Section 2 of this Act takes effect July 1, 1982.

22 \* Sec. 12. Section 7 of this Act takes effect July 1, 1983.

23 \* Sec. 13. Section 9 of this Act takes effect July 1, 1987.  
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